

House Study Bill 567

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
ECONOMIC GROWTH BILL BY
CHAIRPERSON HOFFMAN)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the amount of historic preservation and
2 cultural and entertainment district tax credits approved in a
3 fiscal year.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 5843HC 81
6 tm/je/5

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1 1 Section 1. Section 404A.4, subsection 4, Code Supplement
1 2 2005, is amended to read as follows:
1 3 4. The total amount of tax credits that may be approved
1 4 for a fiscal year under this chapter shall not exceed two
1 5 million four hundred thousand dollars. ~~For~~ However, for the
1 6 fiscal period beginning July 1, ~~2005~~ 2006, and ending June 30,
1 7 ~~2015~~ 2016, an additional ~~four~~ seventeen million six hundred
1 8 thousand dollars in tax credits may be approved each fiscal
1 9 year. During that fiscal period, fifteen million dollars of
1 10 tax credits may be approved each fiscal year for purposes of
1 11 projects located in cultural and entertainment districts
1 12 certified pursuant to section 303.3B. Any of the additional
1 13 tax credits allocated for projects located in certified
1 14 cultural and entertainment districts that are not approved
1 15 during a fiscal year shall be applied to reserved tax credits
1 16 issued in accordance with section 404A.3 in order of original
1 17 reservation. The department of cultural affairs shall
1 18 establish by rule the procedures for the application, review,
1 19 selection, and awarding of certifications of completion. The
1 20 departments of economic development, cultural affairs, and
1 21 revenue shall each adopt rules to jointly administer this
1 22 subsection and shall provide by rule for the method to be used
1 23 to determine for which fiscal year the tax credits are
1 24 available. ~~With the exception of tax credits issued pursuant~~
1 25 ~~to contracts entered into prior to July 1, 2005, tax credits~~
1 26 ~~shall not be reserved for more than five years.~~

EXPLANATION

1 27
1 28 This bill relates to historic preservation and cultural and
1 29 entertainment district tax credits.
1 30 Currently, \$2.4 million of historic preservation and
1 31 cultural and entertainment district tax credits may be
1 32 approved in a fiscal year, and, for the fiscal period
1 33 beginning July 1, 2005, and ending June 30, 2015, an
1 34 additional \$4 million of tax credits may be approved each
1 35 fiscal year for purposes of projects located in certified
2 1 cultural and entertainment districts.
2 2 The bill eliminates the additional \$4 million of tax
2 3 credits and instead provides that, for the fiscal period
2 4 beginning July 1, 2006, and ending June 30, 2016, \$17 million
2 5 of additional tax credits may be approved each fiscal year, of
2 6 which \$15 million of tax credits may be approved each fiscal
2 7 year for purposes of projects located in certified cultural
2 8 and entertainment districts.
2 9 The bill eliminates a restriction that, with the exception
2 10 of tax credits issued pursuant to contracts entered into prior
2 11 to July 1, 2005, tax credits shall not be reserved for more
2 12 than five years.
2 13 LSB 5843HC 81
2 14 tm:nh/je/5